



RWH/ek4 8/4/2016

FILED

8-04-16

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of LV.Net LLC for Registration
as an Interexchange Carrier Telephone
Corporation Pursuant to the Provisions of
Public Utilities Code Section 1013.

Application 15-10-003
(Filed October 13, 2015)

**ADMINISTRATIVE LAW JUDGE'S RULING REQUIRING APPLICANT TO
PROVIDE ADDITIONAL INFORMATION TO COMPLETE ITS APPLICATION**

On October 13, 2015, LV.Net LLC filed its application requesting registration as an interexchange carrier within California pursuant to the provisions of Public Utilities Code Section 1013.

Following review of the submitted materials, the Commission finds the application and the affidavit submitted in support of the application to be insufficient to establish LV.Net LLC has the financial resources and managerial qualifications to merit approval of the application.

Therefore, **IT IS RULED** that:

1. LV.Net LLC must RESPOND to this Administrative Law Judge Inquiry to complete its application as set forth herein within 15 days of the date of this ruling.
2. LV.Net LLC shall confirm by sworn affidavit under penalty of perjury under the laws of the State of California that the Applicant's financial resources are unencumbered and will remain available to fund the Applicant's working capital requirements while the application is pending and for the first full year following grant of the requested operating authority.
3. Commission decisions and regulations require the Application demonstrate sufficient resources to satisfy all deposits which may be required by local exchange carriers and/or interexchange carriers in order for the applicant to

provide the proposed service. Therefore, LV.Net LLC shall disclose the amount of deposits, if any, the applicant anticipates being required to provide in connection with the proposed service.

4. LV.Net LLC is further ordered to submit additional financial information using any of the following accepted forms of financial documentation listed below:

- a. An audited balance sheet and income statement of LV.Net LLC as of the most recent fiscal year-end or a more recent period; or
- b. Any one of the following:
 - i. Cash or cash equivalent, including cashier's check, sight draft, performance bond proceeds, or traveler's checks;
 - ii. Certificate of deposit or other liquid deposit, with a reputable bank or other financial institution;
 - iii. Preferred stock proceeds or other corporate shareholder equity, provided that use is restricted to maintenance of working capital for a period of at least twelve (12) months beyond certification of the applicant by the Commission;
 - iv. Letter of credit, issued by a reputable bank or other financial institution, irrevocable for a period of at least twelve (12) months beyond certification of the applicant by the Commission;
 - v. Line of credit or other loan, issued by a reputable bank or other financial institution irrevocable for a period of at least twelve (12) months beyond certification of the applicant by the Commission, and payable on an interest-only basis for the same period;
 - vi. Loan, issued by a qualified subsidiary, affiliate, or a qualified corporation holding controlling interest in the applicant, irrevocable for a period of at least twelve (12) months beyond certification of the applicant by the Commission, and payable on an interest-only basis for the same period;

- vii. Guarantee, issued by a corporation, partnership, or other person or association, irrevocable for a period of at least twelve (12) months beyond certification of the applicant by the Commission; or
- viii. Guarantee, issued by a qualified subsidiary, affiliate or corporation holding a controlling interest in the applicant, irrevocable for a period of at least twelve (12) months beyond certification of the applicant by the Commission.

5. The Commission's investigation indicates Marty Mizrahi may be the subject of a criminal filing and at least one tax lien. Therefore, Mr. Mizrahi shall attest by sworn affidavit under penalty of perjury under the laws of the State of California whether he has been the subject of criminal proceedings and if so, where, when, on what charge or charges, and the disposition of the proceedings. Mr. Mizrahi shall also attest by sworn affidavit under penalty of perjury under the laws of the State of California whether he has been the subject of any findings, judgements, convictions, referrals, denials, suspensions, revocations, limitations, settlements, voluntary payments or any other type of monetary forfeitures.

6. The Commission's investigation indicates that Mr. Ronald Cook may have been involved in a legal recovery judgment. Therefore, Mr. Cook shall attest by sworn affidavit under penalty of perjury under the laws of the State of California whether he has been the subject of any findings, judgements, convictions, referrals, denials, suspensions, revocations, limitations, settlements, voluntary payments or any other type of monetary forfeitures.

7. The Commission's investigation indicates that Mr. Hal Winstead is now deceased. Therefore, LV.Net LLC shall update its application with the current list

of names, titles, and street addresses of all members and officers or other persons authorized to conduct the business of the Applicant at a similar level.

Dated August 4, 2016, at San Francisco, California.

/s/ ROBERT W. HAGA
Robert W. Haga
Administrative Law Judge